



CITY OF LODI

COUNCIL COMMUNICATION

AGENDA TITLE: Accept the Quarterly Investment Account report as required by law SB564

MEETING DATE: February 6, 2002

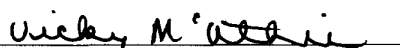
PREPARED BY: Deputy Treasurer

RECOMMENDED ACTION: That the City Council by motion/action accept the quarterly report of the City of Lodi pooled money investment account as required by SB564.

BACKGROUND INFORMATION: The investment report is currently included in the monthly executive report distributed to Council. SB564 required local agency treasurers to submit a report on investments at a public meeting. The City of Lodi has an investment policy, which is submitted to council for approval on an annual basis. Copies of the policy are available in the Finance Department. In addition to the quarterly report on investments in the City of Lodi pooled money investment account, a breakdown Treasury Inventory by type has been included in a chart format. Also included is the most current report of the Local Agency Summary of Investment Data and the State of California pooled money investment account market valuation.

The City of Lodi maintains membership in the California Municipal Treasurers Association and conforms to guide lines set forth by the CMTA investment report committee. The Finance Department will continue to include the investment report monthly as part of the executive report.

FUNDING: None.


Vicky McAthie
Finance Director/Treasurer

APPROVED: _____


H. Dixon Flynn -- City Manager



City of Lodi
Portfolio Management
Portfolio Summary
December 31, 2001

City of Lodi
 212 W. Pine St.
 Lodi, CA 95240
 (209)333-6800

Investments	Par Value	Market Value	Book Value	% of Portfolio	Term	Days to Maturity	YTM 360 Equiv.	YTM 365 Equiv.
Local Agency Investment Funds	9,800,000.00	9,800,000.00	9,800,000.00	57.37	1	1	3.733	3.785
Certificates of Deposit - Bank	2,300,000.00	2,300,000.00	2,300,000.00	13.46	201	101	3.185	3.229
Passbook/Checking Accounts	1,978,705.12	1,978,705.12	1,978,705.12	11.58	1	1	0.000	0.000
Corporate Medium Term Note	1,020,000.00	1,065,226.80	1,002,825.88	5.87	1,056	503	7.151	7.250
Federal Agency Issues - Coupon	2,000,000.00	2,034,070.00	2,000,000.00	11.71	913	495	6.002	6.085
Investments	17,098,705.12	17,178,001.92	17,081,531.00	100.00%	197	102	3.693	3.744

Cash and Accrued Interest

Passbook/Checking (not included in yield calculations)	0.00	0.00	0.00		0	0	0.000	0.000
Accrued Interest at Purchase		140.28	140.28					
Subtotal		140.28	140.28					
Total Cash and Investments	17,098,705.12	17,178,142.20	17,081,671.28		197	102	3.693	3.744

Total Earnings	December 31 Month Ending	Fiscal Year To Date
Current Year	57,387.68	446,828.14
Average Daily Balance	18,181,217.33	20,613,826.78
Effective Rate of Return	3.72%	4.30%

Based on the approved budget and to the extent the budget is adhered to, liquidity is available for the next 30 days. Union Bank of California is the source of market valuation.

M. Maxine Cadwallader 1-9-02
 Marcella Maxine Cadwallader, Revenue Manager/Deputy Treas.

City of Lodi
Portfolio Management
Portfolio Details - Investments
December 31, 2001

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CUSIP	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	Moody's	YTM 360	Days to Maturity	Maturity Date
Local Agency Investment Funds												
LAIF	1000	Local Agency Invest. Fund			7,800,000.00	7,800,000.00	7,800,000.00	3.785		3.733	1	
LPIC	1001	Local Agency Inv Fund (LPIC)			2,000,000.00	2,000,000.00	2,000,000.00	3.785		3.733	1	
Subtotal and Average			10,858,064.52		9,800,000.00	9,800,000.00	9,800,000.00			3.733	1	
Certificates of Deposit - Bank												
WEST	44	Bank of the West		04/18/2001	100,000.00	100,000.00	100,000.00	4.170		4.170	106	04/17/2002
FM10	47	Farmers and Merchants Bank		10/01/2001	1,000,000.00	1,000,000.00	1,000,000.00	3.100		3.100	90	04/01/2002
FM09	48	Farmers and Merchants Bank		10/09/2001	1,000,000.00	1,000,000.00	1,000,000.00	3.100		3.100	120	05/01/2002
GUAR	45	Guaranty Federal Bank		06/12/2001	100,000.00	100,000.00	100,000.00	3.840		3.840	11	01/12/2002
LODI	49	Bank of Lodi		10/10/2001	100,000.00	100,000.00	100,000.00	3.250		3.250	95	04/06/2002
Subtotal and Average			2,300,000.00		2,300,000.00	2,300,000.00	2,300,000.00			3.185	101	
Passbook/Checking Accounts												
BACK	4003	Bank of America		07/01/2001	235,450.18	235,450.18	235,450.18			0.000	1	
	4000	Farmers & Merchants			1,743,254.94	1,743,254.94	1,743,254.94			0.000	1	
Subtotal and Average			2,020,810.85		1,978,705.12	1,978,705.12	1,978,705.12			0.000	1	
Corporate Medium Term Note												
36962GSY1	35	Higgins Capital Management, In		06/27/2000	1,020,000.00	1,065,226.80	1,002,825.88	5.880	AAA	7.151	503	05/19/2003
Subtotal and Average			1,002,341.96		1,020,000.00	1,065,226.80	1,002,825.88			7.151	503	
Federal Agency Issues - Coupon												
31331LMN5060	46	Federal Farm Credit Bank		07/20/2001	1,000,000.00	1,015,940.00	1,000,000.00	5.050		4.981	930	07/19/2004
3133MAVS5	30	Federal Home Loan Bank (call)		03/01/2000	1,000,000.00	1,018,130.00	1,000,000.00	7.120		7.022	59	03/01/2002
Subtotal and Average			2,000,000.00		2,000,000.00	2,034,070.00	2,000,000.00			6.002	495	
Total Investments and Average			18,181,217.33		17,098,705.12	17,178,001.92	17,081,531.00			3.693	102	

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**City of Lodi
Portfolio Management
Portfolio Details - Cash
December 31, 2001**

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CUSIP	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	Moody's	YTM 360	Days to Maturity
Accrued Interest at Purchase						140.28	140.28				
Subtotal						140.28	140.28				
Total Cash and Investments			18,181,217.33		17,098,705.12	17,178,142.20	17,081,671.28			3.693	102

City of Lodi
Portfolio Management
Investment Activity By Type
December 1, 2001 through December 31, 2001

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CUSIP	Investment #	Issuer	Stated Rate	Transaction Date	Purchases or Deposits	Sales/Maturities or Withdrawals	Balance
Local Agency Investment Funds (Monthly Summary)							
LAIF	1000	Local Agency Invest. Fund	3.785		700,000.00	5,800,000.00	
		Subtotal			700,000.00	5,800,000.00	9,800,000.00
Certificates of Deposit - Bank							
		Subtotal					2,300,000.00
Passbook/Checking Accounts (Monthly Summary)							
BACK	4003	Bank of America			387,654.47	473,168.30	
	4000	Farmers & Merchants			13,764,078.27	13,722,073.69	
		Subtotal			14,151,732.74	14,195,241.99	1,978,705.12
Corporate Medium Term Note							
		Subtotal					1,002,825.88
Federal Agency Issues - Coupon							
		Subtotal					2,000,000.00
		Total			14,851,732.74	19,995,241.99	17,081,531.00

City of Lodi
Portfolio Management
Investment Activity Summary
December 2000 through December 2001

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Month End	Year	Number of Securities	Total Invested	Yield to Maturity		Managed Pool Rate	Number of Securities Purchased	Number of Securities Matured / Sold	Average Term	Average Days to Maturity
				360 Equivalent	365 Equivalent					
December	2000	25	30,915,755.76	5.618	5.696	6.540	0	1	507	255
January	2001	24	31,983,164.46	5.907	5.989	6.520	1	2	455	208
February	2001	21	30,698,629.94	5.713	5.792	6.520	0	3	373	151
March	2001	20	27,214,316.25	5.865	5.946	6.520	0	1	380	142
April	2001	19	28,492,110.95	5.957	6.039	6.160	2	3	325	116
May	2001	18	25,058,431.76	5.845	5.926	6.160	0	1	355	119
June	2001	15	23,627,373.10	5.734	5.814	6.160	1	4	222	61
July	2001	15	20,008,838.21	5.670	5.748	6.160	2	1	289	115
August	2001	15	18,036,820.89	5.674	5.753	6.160	0	0	321	113
September	2001	11	15,757,753.71	4.914	4.982	6.160	0	4	212	115
October	2001	12	21,981,813.67	3.294	3.340	3.750	3	2	153	94
November	2001	12	22,224,005.67	3.672	3.723	3.750	0	0	151	86
December	2001	12	17,081,531.00	3.693	3.744	3.785	0	0	197	102
Average		17	24,083,118.87	5.197%	5.269%	5.719	1	2	303	129

City of Lodi
Portfolio Management
Distribution of Investments By Type
December 2000 through December 2001

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Investment Type	December 2000	January 2001	February 2001	March 2001	April 2001	May 2001	June 2001	July 2001	August 2001	September 2001	October 2001	November 2001	December 2001	Average by Period
Local Agency Investment Funds	32.1	41.9	45.9	45.9	55.5	51.9	59.7	50.6	46.0	52.7	56.5	67.0	57.4	51.0%
Certificates of Deposit - Bank	10.7	10.3	10.8	12.1	11.6	9.2	9.7	11.5	12.8	8.3	10.5	10.4	13.5	10.9%
Certificates of Deposit - S & L														
Passbook/Checking Accounts	10.4	5.6	9.1	7.1	3.2	5.0	7.3	7.9	8.0	20.0	19.4	9.1	11.6	9.5%
Corporate Medium Term Note	3.2	3.1	3.2	3.7	3.5	4.0	4.2	5.0	5.5	6.3	4.6	4.5	5.9	4.4%
Commercial Paper - Interest Bearing														
Repurchase Agreements														
Federal Agency Issues - Coupon	40.4	36.0	27.7	27.6	22.8	25.9	14.8	20.0	22.2	12.7	9.1	9.0	11.7	21.5%
Treasury Securities - Coupon	3.2	3.1	3.3	3.7	3.5	4.0	4.2	5.0	5.5					2.7%
Mortgage Backed Securities														
Bankers Acceptances -Amortizing														
Commercial Paper Disc. -Amortizing														
Federal Agency Disc. -Amortizing														
Treasury Discounts -Amortizing														
Miscellaneous Discounts -Amortizing														

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City of Lodi
Portfolio Management
Interest Earnings Summary
December 31, 2001

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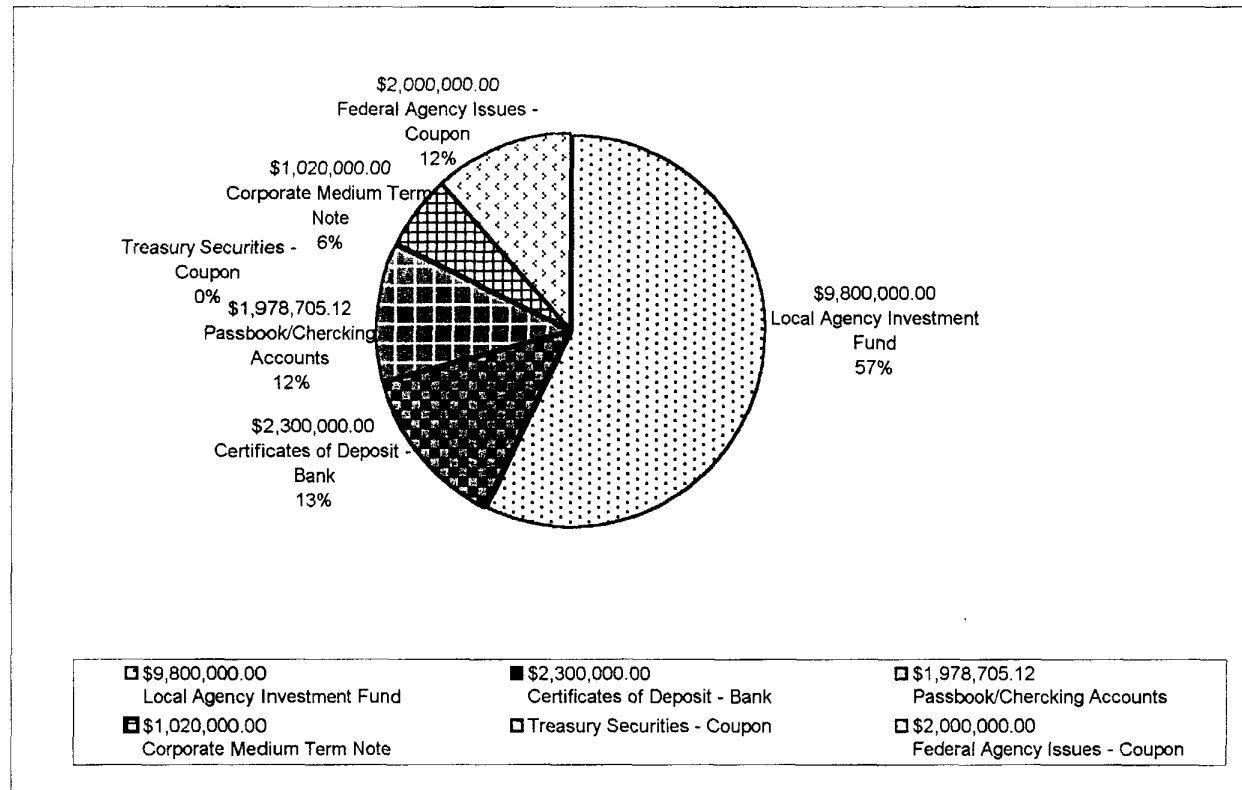
	December 31 Month Ending	Fiscal Year To Date
CD/Coupon/Discount Investments:		
Interest Collected	8,548.43	252,998.15
Plus Accrued Interest at End of Period	21,731.07	21,731.07
Less Accrued Interest at Beginning of Period	(8,831.35)	(87,163.75)
Less Accrued Interest at Purchase During Period	(0.00)	(0.00)
Interest Earned during Period	21,448.15	187,565.47
Adjusted by Premiums and Discounts	1,034.58	6,354.33
Adjusted by Capital Gains or Losses	0.00	0.00
Earnings during Period	22,482.73	193,919.80
Pass Through Securities:		
Interest Collected	0.00	0.00
Plus Accrued Interest at End of Period	0.00	0.00
Less Accrued Interest at Beginning of Period	(0.00)	(0.00)
Less Accrued Interest at Purchase During Period	(0.00)	(0.00)
Interest Earned during Period	0.00	0.00
Adjusted by Premiums and Discounts	0.00	0.00
Adjusted by Capital Gains or Losses	0.00	0.00
Earnings during Period	0.00	0.00
Cash/Checking Accounts:		
Interest Collected	0.00	320,584.89
Plus Accrued Interest at End of Period	139,303.85	139,303.85
Less Accrued Interest at Beginning of Period	(104,398.90)	(206,980.40)
Interest Earned during Period	34,904.95	252,908.34
Total Interest Earned during Period	56,353.10	440,473.81
Total Adjustments from Premiums and Discounts	1,034.58	6,354.33
Total Capital Gains or Losses	0.00	0.00
Total Earnings during Period	57,387.68	446,828.14

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BREAKDOWN OF TREASURY INVENTORY BY TYPE

December 2001

<u>Type of Security</u>	<u>Amount</u>	<u>Percent of Portfolio</u>	<u>Maximum Maturity</u>
Local Agency Investment Fund	\$9,800,000.00	57.314282%	Indefinite
Certificates of Deposit - Bank	\$2,300,000.00	13.451311%	5 years
Passbook/Checking Accounts	\$1,978,705.12	11.572251%	Indefinite
Corporate Medium Term Note	\$1,020,000.00	5.965364%	5 years
Treasury Securities - Coupon		0.000000%	5 years
Federal Agency Issues - Coupon	\$2,000,000.00	11.696792%	5 years
	<u>\$17,098,705.12</u>	<u>100.00%</u>	



PHILIP ANGELIDES
TREASURER
STATE OF CALIFORNIA

INVESTMENT DIVISION SELECTED INVESTMENT DATA
ANALYSIS OF THE POOLED MONEY INVESTMENT ACCOUNT PORTFOLIO
(000 OMITTED)

September 30, 2001			
<u>TYPE OF SECURITY</u>			CHANGE FROM PRIOR MONTH
Government			
Bills	\$ 1,634,760	3.34	+0.56
Bonds	0	0	0
Notes	3,505,417	7.15	-0.15
Strips	0	0	0
Total Governments	\$ 5,140,177	10.49	+0.41
Federal Agency Coupons	\$ 4,039,026	8.24	-0.47
Certificate of Deposits	6,960,234	14.21	-1.85
Bank Notes	1,425,012	2.91	-0.47
Bankers' Acceptances	0	0	0
Repurchases	0	0	0
Federal Agency Discount Notes	11,063,188	22.58	+5.05
Time Deposits	4,844,045	9.89	-0.30
GNMAs	898	0	0
Commerical Paper	9,840,250	20.08	-3.66
FHLMC	9,267	0.02	0
Corporate Bonds	2,403,564	4.91	+0.02
Pooled Loans	3,266,473	6.67	+1.27
GF Loans	0	0	0
Reversed Repurchases	0	0	0
Total (All Types)	\$ 48,992,134	100.00	

Average Life of Portfolio as of September 30, 2001 is 169 Days

**State of California
Pooled Money Investment Account
Market Valuation
11/30/2001**

Carrying Cost Plus					
Description	Accrued Interest	Purch.	Fair Value	Accrued Interest	
United States Treasury:					
Bills	\$	840,725,986.25	\$	845,214,500.00	NA
Notes	\$	3,918,374,412.98	\$	4,011,357,000.00	\$ 46,873,221.50
Federal Agency:					
SBA	\$	270,124,543.86	\$	269,510,280.39	\$ 1,948,404.71
MBS	\$	740,715,851.41	\$	745,997,226.29	\$ 3,850,738.06
Bonds	\$	4,170,571,191.30	\$	4,224,238,695.65	\$ 48,312,614.07
Floaters	\$	-	\$	-	\$ -
Discount Notes	\$	12,074,337,558.49	\$	12,267,037,199.60	NA
FHLMC PC	\$	8,820,254.20	\$	9,574,661.29	\$ 141,776.43
GNMA	\$	868,116.38	\$	1,000,432.69	\$ 8,597.00
Bankers Acceptances	\$	-	\$	-	NA
Bank Notes	\$	1,115,008,664.83	\$	1,119,188,986.75	\$ 14,296,861.11
CDs	\$	5,825,135,292.64	\$	5,829,261,144.75	\$ 20,538,916.66
Commercial Paper	\$	9,726,857,031.19	\$	9,761,525,166.51	NA
Corporate:					
Floaters	\$	1,243,429,415.35	\$	1,237,353,404.48	\$ 4,085,416.88
Bonds	\$	1,136,285,752.52	\$	1,158,832,094.33	\$ 16,863,811.25
Repurchase Agreements	\$	-	\$	-	NA
Reverse Repurchase	\$	-	\$	-	\$ -
Time Deposits	\$	4,866,545,000.00	\$	4,866,545,000.00	NA
AB 55 & GF Loans	\$	2,805,383,590.35	\$	2,805,383,590.35	NA
TOTAL	\$	48,743,182,661.75	\$	49,152,019,383.08	\$ 156,920,357.67

Fair Value Including Accrued Interest \$ 49,308,939,740.75

Repurchase Agreements, Time Deposits, AB 55 & General Fund loans, and Reverse Repurchase agreements are carried at portfolio book value (carrying cost).